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15 November 1962

MEMORANDUM FOR THE DIRECTOR

VIA: Deputy Director (Intelligence)

SUBJECT: Comments on Report of Inspector General
on the Office of National Estimates

Pursuant to General Carter's request, herewith an account of action taken, and comments on the recommendations. In view of the Cuba crisis, the Executive Director agreed to extend the original 5 November deadline.

IG Recommendation #1 a: "The DD/I and AD/NE develop a long-term career program for ONE staff personnel carefully articulated with the DD/I career planning policy."

Insofar as anyone can devise long-term career programs for staff personnel, I feel that we have done it. A better effort to integrate O/NE planning with other components of the DD/I is doubtless possible. I look to the new O/NE Executive Officer, who was a member of the IG Survey Team and who has had a fairly broad experience in DD/I components for a very impressive assist in this matter.

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IG Recommendation #1 b: "The DD/I negotiate with DD/P the establishment of at least five slots--to be furnished by the DD/I--at major stations in critical areas of the world and staff these positions with DD/I officers assigned to render close substantive support to chiefs of station in the respective areas."

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only by indirection. It has my heartiest endorsement. Indeed, I have argued this matter over the years with present and past DD/P's, their division chiefs, and a number of their Chiefs of Station. My point has been that there is no Chief of Station who would not benefit immeasurably by having a firsthand substantive man from DD/I at his elbow, and that the DD/I offices would gain vastly by the experience. The rub, of course, is not DD/I's unwillingness to find the slots. It has been

the other way. DD/P and the Chiefs of Station have

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IG Recommendation #1 c: "ONE vacancies be announced in DD/P staffs and divisions and the DD/P regularly nominate qualified officers for each vacancy as possible candidates for staff service tours in ONE."

Again, this recommendation is not addressed to the AD/NE, but to DD/P. It has my hearty endorsement.

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A number of our very best staff members have come to us from junior positions in DD/P. We have been delighted with the work of those who stayed. I am sure that those who returned to DD/P did so with a fresh appreciation of how finished intelligence is produced, distributed, and used, and, above all, of the value of raw intelligence to the final product.

IG Recommendation #2: "The DD/I initiate necessary steps to authorize an increase of six professional positions in the ONE Estimates Staff to provide increased flexibility for the AD/NE to administer his personnel program."

This action is completed. O/NE has filled all but two of the new positions.

IG Recommendation #3: "The AD/NE adopt a policy of filling one of his staff positions with an officer from OSI serving on a rotational basis."

I heartily concur. We have begun negotiations with OSI. Obviously, there will be difficulties because the man to do our work will, almost by definition, be found among the AD/SI's most valuable middle-grade analysts.

IG Recommendation #4: "The AD/NE divide his present Latin America-Africa Staff into separate staffs for the two regions and pursue as a staffing objective the maintenance of three or four estimator specialists in each of the new units."

I believe that the IG and any other officer of the Agency who knows of this strangely mixed group realizes that it results purely and simply from our inability to recruit the required number of Latin American and African experts. Since the IG's report, things are looking up. As soon as we can find a sufficiently senior African specialist to head the African group, the separation will be made. Meanwhile, it will have to continue under [REDACTED] excellent management.

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IG Recommendation #5: "The DD/I with the Director of Personnel devise a system that will permit the promotion to super grade of selected estimators without changing their positions or responsibilities. This should be done with the utmost discretion and only in those cases where it is determined that it is in the best interests of the Agency."

Again, note that this recommendation is addressed to the DD/I and the Director of Personnel. It has my hearty concurrence.

IG Recommendation #6: "The DD/I arrange with appropriate State and Defense officials the assignment of able ONE staff officers to their policy planning staffs for specific tours of duty. Reciprocal arrangements should be encouraged."

Again, addressed to the DD/I. Again, my concurrence. I have already been in touch with Deputy

Assistant Secretary of Defense William P. Bundy as to
a possible switch of one of my Far East experts, John
25X1A9a [redacted] at the National War College this year) with
someone from Bundy's office. Actually, the experience
25X1A9a would be of such value to [redacted] and subsequently to
O/NE, that if Bundy cannot find a proper nominee from
his group, I would be willing to have 25X1A9a [redacted] go anyway.
We are exploring similar arrangements with State.

IG Recommendation #7: "The DD/I insure
that any of his employees with proper qualifi-
cations will be considered for any existing
vacancy in his directorate. Care should be
exercised to insure that no position, particu-
larly those overseas, be identified with any
one DD/I office."

Although this recommendation is addressed to
the DD/I, its final sentence is of particular importance
to O/NE. One overseas job, that of the CIA representative
25X1C8a to the [redacted] has from the beginning
(1952) been held by one of the most senior members of
25X1A9a the O/NE staff. (Cline, [redacted]
25X1A9a [redacted] Whatever the frills of the job may be, its heart
25X1C8a and soul has been estimates. The [redacted] have wanted to
have, and we have wanted to send, a man who has a sophis-
ticated grasp of the whole estimating business and par-
ticularly an intimate knowledge of the US system of
estimating. This is not knowledge which one procures

with a few hours of briefing or even a few weeks of experience. The men whom we have sent and who have enjoyed the respect and confidence of the ^{25X1C8a} [REDACTED] have been in estimates for years. With an absolute minimum of trans-Atlantic communication, they have been able to explain to a T to their ^{25X1C8a} [REDACTED] colleagues why the problems were formulated as they were and how the basic judgments came out as they did.

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To my mind, the above argues most strongly that no one be sent to the [REDACTED] job who does not have this kind of background. For a decade the [REDACTED] job has been the biggest plum in O/NE. O/NE staff men begin aspiring to it almost from their entry on duty. It has been a very important incentive, not merely to turn in a good performance but to develop the kind of global competence that the job requires. This has been of great importance to the men themselves and to the Office. I do not want to argue that there is no officer outside O/NE who could handle the job. I do, however, most emphatically wish to make the point that I personally would not want to send a non-O/NE man to the job who had not spent as much as a year working as a member of the O/NE staff.

IG Recommendation #8; Recommendation #9,

pp. 32, 33: "The policy of having a representative from each of the three military services on the Board be reconsidered."

"The AD/NE request the Director of Central Intelligence to ask the State Department for the services on the Board of National Estimates of a named individual of ambassadorial rank."

I have had some discussion with the Director, both with respect to service representation on the Board and with respect to a scientific member and a member from the very senior ranks of the Foreign Service. Mr. McCone has spoken of approaching [REDACTED]

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[REDACTED] I much hope he goes forward with this. I have also heard that [REDACTED] might be available for part-time work on the Board. He would be my own preferred candidate above almost all Foreign Service eligibles. If the Director would prefer to have a Foreign Service Officer who is still on the active list, I recommend that he maintain the initiative of approach, laying before the Secretary of State a panel of names from which the Secretary might choose.

IG Recommendation #10: "The AD/NE explore with the DD/I ways and means of enhancing the Board's role so that good men can be attracted and stimulated."

This is an unexceptionable exhortation. I assume that the IG did not mean to imply by it that good men had

not been attracted to the Board and had not been stimulated by its activities.

IG Recommendation #11 a: "The AD/NE terminate as a matter of regular practice the use of ONE consultants in panel consultations."

25X1A5a1 I take it that this recommendation is addressed to the matter of the [REDACTED] The termination of this institution lies by no means in the hands of the AD/NE. All of the members of the Panel regard themselves as appointees of the DCI (as indeed they are) and as assisting him in his ultimate responsibility with respect to National Intelligence Estimates. The presence of Mr. Dulles at a great many of the meetings and of Mr. McCone at at least one, has reinforced this belief. Both the past and present DCI's are fully aware of the 25X1A5a1 shortcomings of the [REDACTED] as a major contributor to the substance of estimates. I know that Mr. Dulles, and I believe that Mr. McCone also, is aware of the value of this group from the point of view of strict public relations. Any determination to liquidate the organization must be a determination of the DCI made in full realization of the public relations implications.

IG Recommendation #11 b: "The AD/NE pursue a policy of consultation with properly cleared

individuals regarded by his staff and Board as capable of making constructive contributions to specific estimates particularly in the drafting phase."

Concur. We have done a good amount of this in the past and obviously will enlarge our efforts.

IG Recommendation #12: "The AD/NE take steps to acquire a slot and recruit an Assistant Administrative Officer."

This has been accomplished.

IG Recommendation #13: "The AD/NE request the DD/I to make the strongest possible representation to the DD/S to make minimal adequate space available for the now badly overcrowded Estimates Staff."

This has been taken care of.

IG Recommendation #14: "The AD/NE poll the intelligence community periodically to determine the continuing usefulness of the Cold War Survey."

Not necessary. The Cold War Weekly Survey is dead.

IG Recommendation #15: "The AD/NE, in consultation with USIB representatives, establish firm guidelines delineating the conditions under which a post-mortem and/or validity study be prepared."

Concur. This problem is now under active study.

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IG Recommendation #16: "The AD/NE take the initiative to invite the [REDACTED] 25X1C8a representative to visit ONE more frequently for general and substantive intelligence discussions."

Concur. There is, of course, a very difficult fundamental problem which the IG seems unaware of. It is that the Office of National Estimates is under strictest injunction by the USIB not to discuss substance of the estimates being worked on until USIB has authorized their release to the [REDACTED] 25X1C8a. Similarly we are enjoined not to discuss our schedule of forthcoming estimates. Thus, our relations with the [REDACTED] 25X1C8a in Washington have been confined to the discussion of estimates already released to the [REDACTED] 25X1C8a and certain internal O/NE memoranda which are not a part of the formal schedule of estimates. Perhaps even with these ground-rules we could enlarge our contacts and will endeavor to do so.

IG Recommendation #17: "The DD/I transmit a personal copy of each estimate to selected Government officials to widen the readership and increase the influence of estimates among policy makers. Each copy should be accompanied by a personal letter from the DCI, DDCI, or DD/I requesting an evaluation and comments on its utility."

This recommendation is addressed to the DD/I. I certainly see no harm in trying it. I am very dubious that it would increase the quantity or quality of NIE readership.

IG Recommendation #18: "The AD/NE insure that ONE review and comment constructively on the ORR and OSI research programs on a regular basis."

This recommendation, it seems to me, should in the first instance be addressed to AD/SI and AD/RR. In the past we have not solicited advance glimpses of their research programs, and indeed I would be reluctant to do so in the future. However, when, as has happened in the past, the AD/RR has requested our comments, we have given the request most serious consideration and forwarded our best effort.

IG Recommendation #19: "The AD/NE submit to the USIB via the DD/I a proposal for review of USIB committee coordinating and publishing procedures; that the review be performed by the Assistant to the DCI for Coordination."

I do not understand how the AD/NE has any role to play in this matter.

IG Recommendation #20: "The DD/I establish the policy of holding face-to-face discussions between appropriate estimators and U.S. policy-making officials on the terms of reference of each forthcoming national intelligence estimate; that the notes of such discussions be appended to the present terms of reference for each forthcoming estimate."

This, again, is directed to the DD/I. Obviously, the AD/NE is a party at interest. This recommendation makes sense only if it is restricted. A considerable number of

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our estimates would not be affected by the kind of discussion noted in this recommendation. Other estimates where the nature of the request is obscure, where we are uncertain of the policy issues which have dictated the estimate in the first place, or where the problem is so badly phrased that we can make no sense of it have caused us invariably to go back to the policy maker/requestor for clarification. We have also frequently submitted the Terms of Reference document to the requestor, asking whether or not we are on the right track. In short I think we have done very well in this matter for a long period of years.

IG Recommendation #21: "The DD/I in concert with the Assistant to the DCI for Coordination propose to the USIB a review of management aspects of the USIB estimating process for the purpose of recording agreed deficiencies in estimating performance, improving procedures, establishing standards of personnel selection and career management, and evaluating periodically the objectives and levels of research effort in the intelligence agencies."

The IG here slips gently into one of the big problems of the estimative business, namely, how to improve the quality of the written contributions the USIB agencies make to NIE's, how to improve the quality of the research which lies behind such contributions, and how to make sure

that every agency is represented at our coordinating sessions by the right kind of intelligence officer. In my view, you do not solve a problem of this sort by some huge bureaucratic investigation and report. You do it as we have tried to do it in the past -- by attempting to set standards of quality, which others hopefully are induced to emulate, and also by politely complaining about inadequacies of contributions and, upon occasion, making a mild remonstrance about the poor performance of a given representative. We have never been thanked for the latter. 25X1A9a

SHERMAN KENT
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National Estimates

CONCUR:

See Memo dtd 7 Dec 62
Deputy Director (Intelligence)